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6 OCT 1978

MEMORANDUM FOR THE RECORD

SUBJECT: Conversation with the Secretary of Defense,  
6 October 1978

1. We went over the [ ] situation in the conference. I suggested the Secretary attempt to help out with persuading the conferees to give us the \$7 million additional for [ ] He indicated he didn't know where he might best do that but he would look into it and be glad to help if he could.

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We both agreed that if money is put in for [ ] it is also important to insure that there is some wording that keeps us from being tied down to the specific [ ] proposal we have discussed.

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2. The Secretary said that Tom Ross, OSD/PA, is concerned about what may come out of the Paisley case. I assured him that we had nothing to substantiate the press speculations.

3. We had a long discussion on [ ] I took an adamant position that Gerry Dinneen had agreed with me on the phone:

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a. That the money for FY 78 would be transferred to the NFIP budget;

b. That OSD would be obliged to transfer additional monies in future years; and

c. That I would feel obliged in future years to recheck whether in those budgets [ ] would cross the threshold of the NFIP. In such cases, we would have to take the money out of the NFIP rather than accepting it as a transfer.

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Charles Duncan indicated that this morning Dinneen had given him a diametrically opposite description of our conversation. The OSD position is that if they add the money into the NFIP, it will increase the size of the NFIP and lead to its being under pressure from OMB and Congress to cut it back down. They believe they should transfer the



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4. NITC. Duncan averred that all things were going very smoothly with NITC except for the possible problem of the location of [redacted] personal office. I told him that was absolutely untrue. From my point of view, I felt the location outside the JSC area was unsatisfactory. The people needed access on a rapid basis to the CCF and to the NMIC. They told me the proposed space was "contiguous" to the JCS. I said that seemed difficult to understand since it was between the sixth and seventh corridors and the JCS was over in the ninth and tenth corridors, but that it might well be contiguous in boundary but the distance to the access would be great.

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a. I stated that an E-ring office for [redacted] was not my primary concern. My concern was to get adequate space with direct access to the CCF and NMIC.

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b. Secretary Duncan later made the contention that it was an absolutely clear-cut case that the NITC elements belonged in the Pentagon. I said that absolutely was not my view. I stated that 2% of the time they were much better off if they were in the Pentagon, i.e., during crises, but that 98% of the time they would be better off in Langley close to NFAC. It was difficult to weigh whether the 2% was more important than the 98%, but I certainly didn't think that was any open and shut case. In fact, it was my preference that they be in Langley with provision for moving a detail down to the Pentagon during crises, but that in order to promote a team approach to the NITC and to garner OSD acceptance, I was very pleased to bring them into the Pentagon.

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5. I raised the DIA building.

a. The question came up of whether the S&I team looked at Langley and the Langley options. I told him I didn't know, but that they had not come to me and that I was really the only person at Langley enthusiastically in support of bringing the DIA building out there. Therefore, I thought I had been had a little bit.

b. Brown and Duncan agreed to review the merits of the DIA building once more other than subjective judgments on whether bringing it out here would lead to DIA being absorbed by CIA. The principal objective factor that we want to take into consideration is the cost differentials. Secretary Duncan implied that these were very minor and harkened back to the original study on this issue. I reminded him we had discredited that study and done another one. He, in turn, said the figures in that study were discredited. I took the position that whether that were the case or not, there clearly were savings to be had on a one-time and on an annual basis. Secretary Brown said we should try to come up with what the real cost figures are, including those associated with "time delay." Neither Duncan nor I could get a clear understanding of what was meant by "time delay." I'd like to have [ ] rescrub those figures and come back to me with his view of what the best figures are, and where he knows or thinks OSD will disagree with them. I'd like to include [ ] recent statement to me that there will be substantial savings in the transmission system for SAFE between CIA and DIA if the buildings are located within one mile of each other.

6. I&W. Secretary Duncan surprised me by a statement that we had agreed to some committee in which DoD was represented that was going to look at the management structure, the procedures, and the rewriting of DCID 1/5. We fenced around with each other for a long time, with myself making it clear that I was not looking for any recommendations to redo the organizational decisions that I had already made. Neither Brown nor Duncan averred that they were thinking of that. Instead they said they were very happy with the arrangements as they were proceeding, particularly this committee. I don't know what this committee is; Dick Lehman better tell me, and I want to make it absolutely clear that no committee has any jurisdiction to revisit a decision that I have made.

7. I reviewed my discussions with Dick Perle and Senator Jackson. I alerted them to the fact that:

a. Perle clearly indicated he had illegal OSD documents.

b. Jackson indicated there were very lax security procedures through which material was officially delivered to him and other people on the Hill from OSD.



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9. I thanked him for Bill Perry's participation in the briefing of the President on the Soviet space missile R&D complex.

10. I told him we'd have to take up the GAO at the next meeting as we had run out of time at this one.

STANSFIELD TURNER  
Director

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